

RESOLUTION 101-84

RESOLUTION ORDERING THE SALE OF \$9,750,000 PRINCIPAL AMOUNT OF PINETOP-LAKESIDE UNIFIED SCHOOL DISTRICT NO. 32 OF NAVAJO COUNTY, ARIZONA, SCHOOL IMPROVEMENT BONDS, PROJECT OF 1984.

WHEREAS, a request has been received from the Governing Board of Pinetop-Lakeside Unified School District No. 32 of Navajo County, Arizona, requesting the Board of Supervisors to order the sale of bonds of the District in the principal amount of \$9,750,000 authorized at an election held within the District on May 15, 1984;

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF NAVAJO COUNTY, ARIZONA, AS FOLLOWS:

Section 1. The Board of Supervisors hereby orders the sale of Pinetop-Lakeside Unified School District No. 32 of Navajo County, Arizona, School Improvement Bonds, Project of 1984 (the "Bonds") in the principal amount of \$9,750,000. The Bonds are to be sold by inviting proposals to be received on July 24, 1984.

Section 2. The Clerk is hereby directed to cause a Notice Inviting Proposals for the Purchase of Bonds to be executed and transmitted to Rauscher Pierce Refsnes, Inc., financial consultant to the District, to be included in an official statement and circulated so as to be made known to potential bidders for the Bonds. Such Notice shall be in substantially the form attached hereto, with such additions, deletions and variations as shall be deemed advisable. The District's financial consultant is ordered and directed to compose and circulate such official statement on behalf of the District.

PASSED AND ADOPTED on June 19, 1984.

ATTEST:


Clerk


Chairman

NOTICE INVITING PROPOSALS FOR THE PURCHASE OF BONDS

NOTICE IS HEREBY GIVEN that sealed, unconditional proposals will be received to and including the hour of 11:00 a.m., Mountain Standard Time (ARIZONA IS EXEMPT FROM DAYLIGHT SAVINGS TIME), on July 24, 1984, at the office of the Clerk of the Board of Supervisors of Navajo County at Holbrook, Arizona, at which time the Board of Supervisors of Navajo County will meet for the purpose of considering bids received and, if an acceptable bid is received, awarding the contract for the purchase of all, but not less than all, of \$9,750,000 principal amount of Pinetop-Lakeside Unified School District No. 32 of Navajo County, Arizona, School Improvement Bonds, Project of 1984 (the "Bonds"), to be dated August 1, 1984 upon initial issuance, to bear interest from the date of the Bonds to the maturity of each of the Bonds at a rate or rates per annum of not to exceed 14%, interest payable on January 1, 1985, and semiannually thereafter on July 1 and January 1 of each year during the term of each of the Bonds, Bonds to mature on July 1 in the years 1986 to 1996, inclusive, as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
1986	\$ 775,000	1992	\$ 950,000
1987	450,000	1993	1,050,000
1988	525,000	1994	1,150,000
1989	725,000	1995	1,225,000
1990	800,000	1996	1,225,000
1991	875,000		

PURPOSE: The Bonds are being issued for the purpose of making school improvements in the District.

REDEMPTION: The Bonds maturing on or before July 1, 1991, are not subject to call for redemption prior to maturity. Bonds maturing on or after July 1, 1992, are subject to call for redemption at the option of the District on July 1, 1991, or on any interest payment date thereafter by the payment of the principal amount of each bond called for redemption plus accrued interest to the date fixed for redemption plus a premium payable from any source lawfully available therefor, the premium to be computed as follows:

<u>Redemption Date</u>	<u>Premium</u>
July 1, 1991 through January 1, 1992	2%
July 1, 1992 through January 1, 1993	1-1/2%
July 1, 1993 through January 1, 1994	1%
July 1, 1994 through January 1, 1995	1/2%

and thereafter at par.

NOTICE OF REDEMPTION: Notice of redemption of any Bond will be mailed to the registered holder of the Bond or Bonds being redeemed at the address shown on the bond register

maintained by the registrar not more than 60 nor less than 30 days prior to the date set for redemption.

FORM AND DENOMINATIONS: The Bonds will be issued only in registered form as to both principal and interest, in the denomination of \$5,000 or integral multiples thereof.

THE INITIAL PURCHASER MUST ACCEPT ONE FULLY REGISTERED BOND FOR ALL AMOUNTS IN EACH MATURITY FOR WHICH NAMES AND ADDRESSES OF THE INITIAL RETAIL OWNERS OF THE BONDS (OR THEIR NOMINEES) WERE NOT PROVIDED TO THE REGISTRAR AT LEAST SEVEN (7) DAYS PRIOR TO CLOSING.

REGISTRATION AND TRANSFER: The Bonds will be transferable only upon the bond register maintained by the registrar upon surrender to the registrar with an appropriate instrument of transfer. The registrar will be a bank or trust company to be named at or before the time proposals for purchase of the Bonds are to be received.

PAYMENT OF BONDS: Interest on the Bonds prior to maturity or redemption shall be payable by check drawn upon the paying agent and mailed at or prior to the interest payment date to the registered holders of such Bonds at the addresses of such holders as they appear on the books of the registrar on the 15th day of the month preceding the date such interest comes due. Principal and interest at maturity or redemption shall be paid when due upon surrender of such Bonds at the principal office of the paying agent.

SECURITY: Principal of and interest on the Bonds are payable from an ad valorem tax levied against all of the taxable property in the District. The Bonds being issued are payable from such a tax without limit of rate or amount.

INTEREST RATES: Bids for the purchase of the Bonds must state the rate or rates of interest to be paid and no bid at a price less than the par value of the Bonds, together with all accrued interest thereon at the date of delivery of the bonds, will be considered. All Bonds of the same maturity must bear the same rate of interest. The highest rate bid shall not exceed the lowest rate by more than 1-1/2% per annum. Interest will be calculated on the basis of 360 days per year or twelve 30-day months.

THE BIDS MAY BE EXPRESSED IN TERMS OF 1/8 OR 1/10 OF A PERCENTAGE POINT. HOWEVER, NO FRACTIONAL CENTS WILL BE PAID (OR ACCUMULATED FOR PAYMENT) ON ANY BOND AND INTEREST RATES BID WHICH INDICATE PAYMENT OF FRACTIONAL CENTS WILL BE DEEMED TO BE A WAIVER OF THE RIGHT TO PAYMENT OF SUCH FRACTIONAL CENTS.

FORM OF BID AND BID CHECK: A prescribed form of bid for the Bonds will be prepared and all bids must be submitted on

that form. All bids must be accompanied by a certified check in a sum equal to two percent of the par value of the Bonds, drawn on a bank doing business in the State of Arizona, payable to the order of the County Treasurer. No interest will be paid on the check of any bidder. The check of the successful bidder will be applied to the purchase price of the Bonds or retained and forfeited as liquidated damages in the event such bidder does not take up and pay for the Bonds immediately upon their issuance. All checks of the unsuccessful bidders will be returned upon the award of the Bonds to the successful bidder.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be placed on the Bonds, but neither failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of the sale. No CUSIP number shall be deemed to be a part of any Bond or of the contract evidenced thereby. All expenses relating to CUSIP numbers on the Bonds shall be paid by the District.

RIGHT OF REJECTION: The Board of Supervisors reserves the right in its discretion to reject any and all bids received and to waive any irregularity or informality in the bids, except that the time for receiving bids shall be of the essence.

COST OF BOND FORMS: The District will bear the cost of the Bond forms and the printing thereof, and will furnish fully executed Bonds, registered in the name of the purchaser or the purchaser's retail buyer, to the purchaser upon payment therefor. The expenses (and transfer taxes, if applicable) pertaining to subsequent registrations will be paid by the transferor. All other costs and expenses of registration and payment will be borne by the District.

AWARD AND DELIVERY: Unless all bids are rejected, the Bonds will be awarded to the bidder whose proposal results in the lowest net interest cost to the District. The net interest cost will be determined by computing the aggregate amount of interest payable on the Bonds from their date to their respective maturities and by deducting therefrom any premium. Delivery of the Bonds will be made to the purchaser upon payment in Federal or immediately available funds at the offices of Gust, Rosenfeld, Divelbess & Henderson, Phoenix, Arizona, or, at the purchaser's request and expense, at any other place mutually agreeable to both the District and the purchaser.

LEGAL OPINION: The Bonds are sold with the understanding that the District will furnish the purchaser with the approving opinion of Gust, Rosenfeld, Divelbess & Henderson of Phoenix, Arizona. Said attorneys have been retained by the

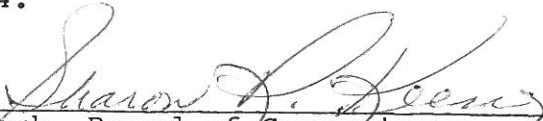
District as Bond Counsel and in such capacity are to render their opinion only upon the legality of the Bonds under Arizona law and on the exemption of the interest income on such Bonds from Federal and State of Arizona income taxes. Fees of Bond Counsel will be paid from Bond proceeds.

TAX EXEMPT STATUS: In the opinion of Bond Counsel, interest on the Bonds is exempt from taxation under existing federal income tax laws and State of Arizona income tax laws. Should changes in the law cause Bond Counsel's opinion to change prior to delivery of the Bonds to the purchaser, the purchaser will be relieved of his responsibility to pick up and pay for the Bonds, and in that event his bid check will be returned.

NO LITIGATION AND NON-ARBITRAGE: The District will deliver a certificate to the effect that no litigation is pending affecting the issuance and sale of the Bonds. The District will also deliver an arbitrage certificate covering its reasonable expectations concerning the Bonds.

ADDITIONAL INFORMATION: Copies of this Notice and the offering statement relating to the Bonds will be furnished to any bidder upon request made to the Clerk of the Board of Supervisors of Navajo County, Arizona; or to Rauscher Pierce Refsnes, Inc., 3450 Valley Bank Center, 201 North Central Avenue, Phoenix, Arizona 85073, telephone (602) 257-7770; Financial Consultants to the District. 100 extra copies of the Offering Statement will be made available to the purchaser without charge and additional copies will be available upon the request at the purchaser's expense.

DATED: June 19, 1984.



Clerk, Board of Supervisors
of Navajo County, Arizona